

FISCAL NOTE

HB 3215 - SB 3468

March 5, 2008

SUMMARY OF BILL: Requires all counties that are not currently participating in the state health insurance local government plan to provide comparable health insurance coverage and pay a comparable portion of the premiums for all employees and officials of the county.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – Not Significant

Increase Local Expenditures* – Exceeds \$3,500,000

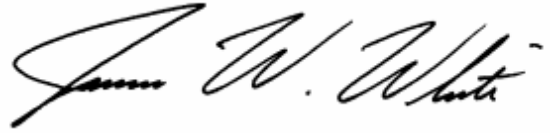
Assumptions:

- The local government insurance committee would have to implement a set standard for comparable coverage and comparable premium payment to the state health plan. There will not be a significant increase in state expenditures for the committee to determine standards and provide regulation over the county insurance plans.
- According to the Department of Finance and Administration, approximately seven counties do not currently provide health insurance to employees.
- Counties that participate in the state health insurance local government plan do not pay a set percentage of premiums.
- The increase in local government expenditures for the seven counties who do not currently provide health insurance will vary depending on the percentage of the premium the county elects to pay. It is estimated that local expenditures will increase at least \$3,500,000.

**Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large, stylized initial "J".

James W. White, Executive Director

/kmc